

a period of service that ended before October 1, 1990, will receive credit for that service in computing the non-disability annuity for which the individual is eligible under subchapter III of chapter 83 of title 5, United States Code, provided the nondisability annuity commences after December 1, 1990.

(2) The beginning monthly rate of annuity payable to a retiree whose annuity includes service credited in accordance with paragraph (c)(1) of this section will be reduced by an amount equal to the redeposit owed, or unpaid balance thereof, divided by the present value factor for the retiree's attained age (in full years) at the time of retirement. The reduced monthly rate will then be rounded down to the next lower dollar amount and becomes the rate of annuity payable.

(3) For the purpose of paragraph (b)(2) of this section, the terms "present value factor" and "time of retirement" have the same meaning as in § 831.2202.

[48 FR 38785, Aug. 26, 1983, as amended at 56 FR 6550, Feb. 19, 1991]

§ 831.304 Service with the Cadet Nurse Corps during World War II.

(a) *Definitions and special usages.* In this section—

(1) *Basic pay* is computed at the rate of \$15 per month for the first 9 months of study; \$20 per month for the 10th through the 21st month of study; and \$30 per month for any month in excess of 21.

(2) *Cadet Nurse Corps service* means any student or graduate nurse training, in a non-Federal institution, as a participant in a plan approved under section 2 of the Act of June 15, 1943 (57 Stat. 153).

(3) *CSRS* means the Civil Service Retirement System.

(b) *Conditions for creditability.* As provided by Pub. L. 99-638, an individual who performed service with the Cadet Nurse Corps is entitled to credit under CSRS if—

(1) The service as a participant in the Corps totaled 2 years or more;

(2) The individual submits an application for service credit to OPM no later than January 10, 1988;

(3) The individual is employed by the Federal Government in a position sub-

ject to CSRS at the time he or she applies to OPM for service credit; and

(4) The individual makes a deposit for the service before separating from the Federal Government for retirement purposes. Contrary to the policy "deeming" the deposit to be made for alternative annuity computation purposes, these deposits must be physically in the possession of the individual's employing agency before his or her separation for retirement purposes.

(c) *Processing the application for service credit.* Upon receiving an application requesting credit for service with the Cadet Nurse Corps, OPM will determine whether all conditions for creditability have been met, compute the deposit (including any interest) as specified by sections 8334(e) (2) and (3) of title 5, United States Code, based upon the appropriate percentage of basic pay that would have been deducted from the individual's pay at the time the service was performed, and advise the agency and the employee of the total amount of the deposit due.

(d) *Agency collection and submission of deposit.* (1) The individual's employing agency must establish a deposit account showing the total amount due and a payment schedule (unless deposit is made in one lump sum), and record the date and amount of each payment.

(2) If the individual cannot make payment in one lump sum, the employing agency must accept installment payments (by allotments or otherwise). However, the employing agency is not required to accept individual checks in amounts less than \$50.

(3) If the employee dies before completing the deposit, the surviving spouse may elect to complete the payment to the employing agency in one lump sum; however, the surviving spouse will not be able to initiate an application for such service credit.

(4) Payments received by the employing agency must be remitted to OPM immediately for deposit to the Civil Service Retirement and Disability Fund.

(5) Once the employee's deposit has been paid in full or closed out, the employing agency must submit the documentation pertaining to the deposit to

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OPM in accordance with published instructions.

[52 FR 43047, Nov. 9, 1987]

§ 831.305 Service with a non-appropriated fund instrumentality after June 18, 1952, but before January 1, 1966.

(a) *Definitions and special usages.* In this section—

(1) *Service in a nonappropriated fund instrumentality* is any service performed by an employee that involved conducting arts and crafts, drama, music, library, service (i.e., recreation) club, youth activities, sports or recreation programs (including any outdoor recreation programs) for personnel of the armed forces. Service is not creditable if it was performed in programs other than those specifically named in this subsection.

(2) *Certification by the head of a non-appropriated fund instrumentality* can also be certification by the National Personnel Records Center or by an official of another Federal agency having possession of records that will verify an individual's service.

(3) *CSRS* means the Civil Service Retirement System.

(b) *Conditions for creditability.* Pursuant to Pub. L. 99-638 and provided the same period of service has not been used to obtain annuity payable from a nonappropriated fund retirement plan, an individual who performed service in a nonappropriated fund instrumentality is entitled to credit under CSRS if—

(1) The service was performed after June 18, 1952, but before January 1, 1966; and

(2) The individual was employed in a position subject to CSRS on November 9, 1986.

(c) *Deposit for service is not necessary.* It is not necessary for an individual to make a deposit for service performed with a nonappropriated fund instrumentality to receive credit for such service. However, if the individual does not elect to make a deposit, his or her annuity is reduced by 10 percent of the amount that should have been deposited for the period of service (including any interest) as specified by sections 8334(e) (2) and (3) of title 5, United States Code. When an employee elects

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an alternative annuity and also elects to make the deposit, OPM will deem the deposit to be made for purposes of computing the alternative annuity.

[52 FR 43048, Nov. 9, 1987]

§ 831.306 Service as a National Guard technician before January 1, 1969.

(a) *Definitions.* In this section—(1) *Service as a National Guard technician* is service performed under section 709 of title 32, United States Code (or under a prior corresponding provision of law) before January 1, 1969.

(2) *CSRS* means the Civil Service Retirement System.

(b) *Conditions for crediting service to CSRS employees after November 5, 1990.* An employee subject to CSRS retirement deductions whose only service as a National Guard technician was performed prior to January 1, 1969, is entitled to credit under CSRS if—

(1) The individual submits to OPM an application for service credit in a form prescribed by OPM;

(2) The individual is employed by the Federal Government in a position subject to CSRS retirement deductions after November 5, 1990; and

(3) The individual completes the deposit for the service through normal service credit channels before final adjudication of his or her application for retirement or has the deposit deemed made when he or she elects the alternative form of annuity.

(c) *Processing the CSRS employee's application for service credit.* (1) If an employee described in paragraph (b) of this section makes an application for service credit, OPM will determine whether all conditions for creditability have been met, compute the deposit and send the employee notice of the payment required and the procedures for submitting the payments to OPM.

(2) The deposit will be computed based on—

(i) The appropriate percentage of basic pay that would have been deducted from the individual's pay at the time the service was performed; and

(ii) Interest at the rate of 3 percent per year computed as specified by section 8334(e)(2) of title 5, United States Code, until the date the deposit is paid.